

R. Kothari & Company

**CHARTERED ACCOUNTANTS
MUMBAI, KOLKATA, NEW DELHI**

Limited Review Report (Annexure V to Clause 41)

INDEPENDENT AUDITORS' REVIEW REPORT

To The Board of Directors
Impex Ferro Tech Limited

We have reviewed the accompanying statement of unaudited financial results of **Impex Ferro Tech Limited** for the period ended 30th June, 2015 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the **Standard on Review Engagement (SRE) 2410**, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform to review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Emphasis of Matter Paragraph

1. Without qualifying we draw your attention to Note No.4 of the financial results, relating to CDR package. The CDR package of the company has been sanctioned vide LOA dated November 10th, 2014. Pursuant to the said LOA, implementation of CDR policy is completed and the company has given its account the effect of the CDR scheme as per LOA dated 10th November, 2014 which is subject to confirmation and reconciliation with the Lenders. The reported financials would



have consequential impact once the reconciliation is completed, the quantum where of remains unascertained.

2. We draw attention to the Note no 5 of the statement which indicates that as at June 30th,2015, the accumulated losses amounting to Rs 7,651.62 Lacs has substantially eroded net worth of the company, indicating the existence of a material uncertainty about the company's ability to continue as a going concern. These financial results have been prepared on a going concern basis for the reasons stated in the said note.

Our report is not qualified in respect of this matter.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Accounting Standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Date: 13.08.2015
Place: Kolkata



For R.Kothari & Company
Chartered Accountants
Firm Reg. No.:-307069E

A handwritten signature in black ink, appearing to read "M. Sethia".

C.A. Manoj Kumar Sethia
Partner
Membership No.:- 064308



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CIN NO.- L27101WB1995PLC071996

Statement of Unaudited Financial Results for the Quarter Ended 30th June, 2015

(₹ in Lakhs)

PART I		Quarter-ended			Audited
		Unaudited			Year-ended
		30-06-2015	31-03-2015	30-06-2014	31-03-2015
	Particulars				
1	Income from Operations				
	(a) Net Sales/Income from Operations (Net of excise duty)	8,337	10,934	12,358	49,616
	(b) Other Operating Income	189	240	179	964
	Total Income from Operations (net)	8,526	11,174	12,537	50,580
2	Expenses				
	(a) Cost of materials consumed	4,505	4,554	3,452	16,966
	(b) Purchase of traded goods	2,032	3,552	6,923	23,849
	(c) Changes in Inventories of finished goods and work-in-progress	(260)	577	(197)	252
	(d) Employee benefits expense	106	122	111	479
	(e) Depreciation	197	202	227	864
	(f) Power	1,830	2,029	2,232	8,848
	(g) Other expenses	603	623	627	2,737
	Total expenses	9,013	11,659	13,375	53,995
3	Profit from operations before other income, finance costs and exceptional items (1-2)	(487)	(485)	(838)	(3,415)
4	Other Income	86	9	50	305
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items(3+4)	(401)	(474)	(788)	(3,110)
6	Finance costs	901	881	925	3,094
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(1,302)	(1,355)	(1,713)	(6,144)
8	Exceptional items	-	-	-	-
9	Profit/ (Loss) from ordinary activities before tax (7-8)	(1,302)	(1,355)	(1,713)	(6,144)
10	Tax Expense	-	-	580	-
11	Net Profit/(Loss) from ordinary activities after tax (9-10)	(1,302)	(1,355)	(2,293)	(6,144)
12	Extraordinary items (net of tax expense Rs. Nil)	-	-	-	-
13	Net Profit/(Loss) for the period (11-12)	(1,302)	(1,355)	(2,293)	(6,144)
14	Paid-up equity share capital (Face Value Rs 10 per share)	8,160	8,160	8,160	8,160
15	Reserves excluding Revaluation Reserves as per Balance Sheet	-	-	-	(1,324)
16	Earnings per share (before and after extraordinary items) (of Rs 10 per share) (not annualised) :				
	a) Basic	(1.60)	(1.66)	(3.12)	(7.53)
	b) Diluted	(1.60)	(1.66)	(3.12)	(7.53)
PART II					
Select Information for the quarter ended 30th June, 2015					
		Quarter-Ended			Year-Ended
	Particulars	30-06-2015	31-03-2015	30-06-2014	31.03.15
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding				
	- Number of shares	2,71,66,758	2,71,66,758	2,71,66,758	2,71,66,758
	- Percentage of shareholding	33.29	33.29	33.29	33.29
2	Promoters and Promoter Group Shareholding				
	(a) Pledged/Encumbered				
	- Number of Shares	1,90,860	1,90,860	1,90,860	1,90,860
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.35	0.35	0.35	0.35
	- Percentage of shares (as a % of the total share capital of the company)	0.23	0.23	0.23	0.23
	(b) Non-encumbered				
	- Number of Shares	5,42,38,986	5,42,38,986	5,42,38,986	5,42,38,986
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.65	99.65	99.65	99.65
	- Percentage of shares (as a % of the total share capital of the company)	66.47	66.47	66.47	66.47
					Three months ended 30/06/2015
B	INVESTOR COMPLAINTS				
	Pending at the beginning of the quarter				-
	Received during the quarter				-
	Disposed of during the quarter				-
	Remaining unresolved at the end of the quarter				-





Segment wise Revenue, Results and Capital Employed under clause 41 of the Listing Agreement.				
Particulars	Quarter- Ended		Year- Ended	
	30-06-2015	31-03-2015	30-06-2014	31-03-2015
1	Segment revenue			
a. Ferro alloys	6,458	7,629	5,568	26,554
b. Iron and steel	2,068	3,545	6,969	24,026
c. Power	-	-	-	-
Total	8,526	11,174	12,537	50,580
Less: Inter segment revenue	-	-	-	-
Total income from operations (net)	8,526	11,174	12,537	50,580
2	Segment results			
a. Ferro alloys	(539)	(366)	(730)	(2,865)
b. Iron and steel	36	(7)	46	177
c. Power	101	(102)	(104)	(422)
Total segment profit before interest and tax	(401)	(475)	(788)	(3,110)
Less: Interest expenses	901	881	925	3,034
Profit before tax	(1,302)	(1,355)	(1,713)	(6,144)
3	Capital employed (Segment assets- Segment liabilities)			
a. Ferro alloys	12,745	7,247	12,844	7,247
b. Iron and steel	11,502	17,524	7,137	17,524
c. Power	14,851	15,275	15,568	15,275
d. Unallocable	262	259	328	259
Total Capital employed	39,360	40,304	35,877	40,304

NOTES :-

- The above results for the quarter ended 30th June, 2015 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on August 13, 2015.
- The figures of the last quarter ended March, 2015 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto third quarter of that financial year.
- During the quarter ended June, 2015, the company has sold its stake in SKP Mining Private Ltd and hence Joint Venture in the name of SKP Mining Private Ltd. with M/s. Ankit Metal & Power Ltd has ceased to exist during the quarter ended 30th June, 2015.
- We draw attention to the financial results, relating to CDR Package. The CDR Package of the company has been sanctioned vide LOA dated 10th November, 2014. Pursuant to the said LOA, Implementation of CDR policy is completed and the effect thereof has been given in these accounts with respect to the CDR scheme as per the said LOA. The said accounts are subject to confirmation and reconciliation with the Lenders. The reported financials would have consequential impact once the reconciliation is completed, the quantum where of remains unascertained.
- The operations of the company are severely impacted by weak steel industry scenario and lack of demand for company's finished product. The company has incurred loss after tax of Rs 1302.00 Lacs and accumulated loss as on 30th June, 2015 is Rs 7651.62 Lacs which is in excess of 50% of the net worth of the company. As a part of its financial revival process, the lenders of the company has already approved CDR package. The company has continuous support from the promoters and has put in place measures for revival and cost reduction. Considering the above initiative of the company and given the overall position of steel industry in India, the financial statements have been prepared under Going Concern basis.
- Pursuant to CDR package, the Company has relieved unsecured Loans from Promoters & Promoter Companies as Promoter contribution to be converted Into Equity by September 30' 2015 at such price as will be determined in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations. Pending approval and determination of price by SEBI, the same has not been considered in the calculation of diluted EPS during the financial year.
- The figures of the previous year/ period have been regrouped/ reclassified, wherever necessary to confirm to the classification for the quarter ended 30th June, 2015.

On behalf of the Board of Directors


SURESH KUMAR PATNI
CHAIRMAN

Place: Kolkata
Dated: 13th August, 2015

